

28 June 2010

Mr Andrew Irwin
Productivity Commission study on trade agreements
GPO Box 1428
Canberra City ACT 2601

Dear Andrew

The attached letter to Trade Minister Crean complements our submission of 10 June, which proposed that Australia establish an international study group to explore the options available to restore progress in multilateral trade liberalisation. The study group initiative was foreshadowed in our original submission, of 4 February, and has subsequently been endorsed by Trade Minister Crean.

While international leaders have committed to address the impasse now painfully evident in the WTO system, too little effort has been made, by those advising them, to identify its causes. The study group's mission is to help structure a measured international discussion--outside the WTO negotiating process--aimed at identifying those causes and exploring ways of dealing with them. We believe that is an essential first step in helping political leadership determine how to restore momentum in the multilateral system.

Since the Commission advises our government on the economy-wide effects of domestic protection (our own trade barriers), we believe that making it responsible for our contribution to the international study group is the most appropriate and policy neutral way for the government to act on its commitment to the WTO system.

Yours sincerely

David Trebeck